



ITEM NO. 12

STAFF REPORT

DATE: SEPTEMBER 6, 2011
TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: ROD FOSTER, CITY MANAGER
PREPARED BY: MARK TOMICH, DEVELOPMENT SERVICES DIRECTOR
ARTHUR W. MORGAN, REDEVELOPMENT MANAGER
SUBJECT: DOWNTOWN REVITALIZATION

Handwritten signatures in blue ink, including a large signature that appears to be "Rod Foster" and another signature below it.

RECOMMENDED ACTION

It is recommended that the City Council adopt (1) Resolution R-81-11, approving application for a Federal Community Challenge Planning Grant; and, (2) Resolution R-82-11, approving application for a State of California Sustainable Communities Planning Grant. Additionally, it is recommended that the Council provide feedback/direction to staff regarding downtown revitalization.

GOAL STATEMENT

The proposed action will support the City's goal to plan for orderly and sustainable Downtown Revitalization development, maximizing its existing community assets.

BACKGROUND

Predevelopment entitlement activities and analysis of financing alternatives are underway for the planned Affordable Senior Housing Project at the site of the former Colton Palms. Recently, a Notice of Funding Available ("NOFA") was released seeking applications for a Federal Housing and Urban Development ("HUD") grant for sustainable community planning activities under the Community Challenge Planning Grant Program. Minimum grant application is \$100,000 up to \$3 million maximum. Attachment #3 is an extract - Purpose of Federal Grant.

A second opportunity for grant funding is also available through the State of California's Sustainable Communities Planning Grant and Incentives Program. The Sustainable Communities grant is also for planning activities. Minimum grant application is \$100,000 up to \$1 million maximum. Attachment #4 is an extract - Purpose of State Grant.

Staff has reviewed both grant applications, which have similar criteria and parameters. The purpose of the grants are to "help local governments meet the challenges of adopting land use plans and integrating strategies in order to transform communities and create long term prosperity." Furthermore, each grant "fosters reform and reduces barriers to achieving affordable, economically vital, and sustainable communities. Such efforts may include amending or replacing local master plans, zoning codes, and building codes, either on a

jurisdiction-wide basis or in a specific neighborhood, district, corridor, or sector to promote mixed-use development, affordable housing, the reuse of older buildings and structures for new purposes, and similar activities with the goal of promoting sustainability at the local or neighborhood level.” Both grants could be utilized to plan the future for Downtown Revitalization.

Either grant could have potentially significant positive impacts on the future growth of the City’s Downtown Revitalization efforts including, but not limited to, Senior Housing, Civic Center Master Planning, Commercial/Office Revitalization, Transit-Oriented Development, etc. A specific Downtown Revitalization implementation plan would help guide the City by finding the best ways on capitalizing connectivity of the Senior Housing Project and Civic Center to the overall downtown retail/commercial areas, and by taking advantage of major street/sidewalk corridors for maximizing transit-oriented opportunities and encouraging walkable neighborhoods with ample amenities.

ISSUES/ANALYSIS

On Saturday August 27th, the Senior Housing Committee toured Eagle Real Estate Group’s apartment-home complexes in Palm Springs and Cathedral City. The Committee also visited Pasadena touring the Paseo Pasadena project with its Spanish Revival architecture and learning how the City “primed the pump” for development by investing in parking structures – the mantra being, if you build it (parking) they (developers/retail/housing) will come. In South Pasadena, the Committee saw many infill and redevelopment projects that utilized existing buildings as the cornerstone of what can be done in Colton’s downtown revitalization efforts.

During the tours, the Committee discussed the Senior Housing Project in relationship to the future for revitalizing Colton’s downtown. As such, staff suggests discussion regarding a request to change the name and expand the scope of the Council’s Senior Housing Committee to the Downtown Revitalization Committee. The Committee would focus its efforts on comprehensive Downtown Revitalization, including the planning efforts under award of either one or both grants.

The Federal and State Planning grants could enhance the City’s Downtown Revitalization efforts in creating a comprehensive implementation plan for the sustainability of the Senior Housing project, Civic Center Master Planning, best utilization of existing Retail/Commercial/Office uses, future parking needs, Transit-Oriented Development and much more. Should the City be successful in receiving award of either one or both grants, downtown planning strategies could be built into the current work for the updated General Plan.

The Federal Planning grant application is due September 9th. An application packet for the Federal grant has been prepared, and will be ready for submission by the deadline date, should the City Council authorize staff to submit both applications. The State’s Planning grant application is due within the next 3-4 months (no specific deadline has been given at this time). Much of the work completed for the Federal grant will be used for the State’s application. Both grant applications will be accompanied by their respective authorizing Resolutions; which are Attachments 1 and 2 to this staff report.

FISCAL IMPACTS

The City has funds budgeted for Downtown Revitalization/Master Planning work. Any additional fiscal impacts to the City will be determined in the event of a successful application of either one or both grants.

The Federal Grant application requires a minimum 20% local contribution from allowable funding sources to include a combination of “in-kind” services and cash. The City anticipates applying for a \$500,000 Federal grant in which a minimum of \$100,000 would be a combination of “in-kind” services and cash. Actual cash contribution can be appropriated at a later time, should the City be an award recipient.

The funding level and scope for the State Grant is yet to be determined; however, the State Grant application requires no matching funds.

ALTERNATIVES

1. Provide alternative direction to staff.

ATTACHMENTS

1. Resolution R-81-11 (Federal Grant Application)
2. Resolution R-82-11 (State Grant Application)
3. Purpose of Federal Grant – Extract
4. Purpose of State Grant - Extract

RESOLUTION NO. R-81-11

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLTON,
CALIFORNIA, AUTHORIZING APPLICATION FOR A DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT COMMUNITY CHALLENGE
PLANNING GRANT**

CITY OF COLTON FOCUSED SUSTAINABLE PLANNING PROGRAM

WHEREAS, the United States Department of Housing and Urban Development (“HUD”) has provided funds for the Fiscal Year 2011 Community Challenge Planning Grant Program; and

WHEREAS, the City of Colton desires to apply for a Community Challenge Planning Grant to be used towards the preparation of a master plan that will guide Downtown’s revitalization into an economically vital and sustainable community in a coordinated manner; and,

WHEREAS, the City, if selected as a grant recipient, will enter into an agreement with HUD and will seek the approval of the City Council to accept the funds and develop the schedule to complete the approved activities.

WHEREAS, the Community Challenge Planning Grant requires a minimum local contribution equal to 20 percent of the total project cost identified in the grant application; and,

WHEREAS, the local contribution shall consists of a combination of “in-kind” services and cash.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Colton:

Section 1. Approves the filing of an application for a Community Challenge Planning Grant for the City of Colton General Plan Update.

Section 2. Authorizes the City Manager and/or his designee to identify the appropriate local matching funds equal to no less than 20% of the total project cost identified in the grant application.

PASSED, APPROVED AND ADOPTED this 6th day of September, 2011.

SARAH S. ZAMORA, Mayor

ATTEST:

EILEEN C. GOMEZ, City Clerk

RESOLUTION NO. R-82-11

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLTON,
CALIFORNIA, AUTHORIZING APPLICATION FOR A SUSTAINABLE
COMMUNITIES PLANNING GRANT**

CITY OF COLTON FOCUSED SUSTAINABLE PLANNING PROGRAM

WHEREAS, the Legislature and Governor of the State of California have provided funds for the sustainable Communities Planning Grant and Incentives Program under the Save Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84); and

WHEREAS, the Strategic Growth Council has been delegated the responsibility for the administration of this grant program, establishing necessary procedures; and

WHEREAS, said procedures require all award recipients commit to threshold requirements; and

WHEREAS, said procedures established by the Strategic Growth Council require a resolution certifying the approval of application(s) by the Applicant's governing board before submission of said application(s) to the State; and,

WHEREAS, the applicant, if selected, will enter into an agreement with the State of California to carry out the development of the proposal;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Colton:

1. Approves the filing of an application for the Colton's Sustainable Revitalization Plan in order to become a more sustainable community; and
2. Certifies that applicant will have sufficient funds to develop the Proposal or will secure the resources to do so; and
3. Certifies that the Proposal will comply with any applicable laws and regulations including being consistent with the State's Planning Priorities identified in Government Code section 65041.1 and summarized below:
 - a. Promote infill development and invest in existing communities
 - b. Protect, preserve and enhance agricultural land and natural resources; and
 - c. Encourage location and resource-efficient new development; and
4. Certifies that threshold requirements outlined in the guidelines, including consideration of Ocean Protection Council Seal Level Rise Guidelines will be met; and
5. Agrees to reduce, on as permanent a basis as feasible, greenhouse gas emissions consistent with California Global Warming Solutions Act of 2006 Division 25.5

(commencing with Section 3850) of the Health and Safety Code); any applicable regional plan; and

6. Agrees to meet the Collaboration Requirements of the focus area applicable to the Proposal; and includes all required documents in the application package; and

7. Appoints the City Manager, or designee, as agent to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, payment requests, and so on, which may be necessary for the completion of the aforementioned project(s).

PASSED, APPROVED AND ADOPTED this 6th day of September, 2011.

SARAH S. ZAMORA, Mayor

ATTEST:

EILEEN C. GOMEZ, City Clerk

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5500-N-33]

**Notice of Funding Availability for the Department of Housing and Urban Development's
Fiscal Year 2011 Community Challenge Planning Grant Program**

AGENCY: Office of Sustainable Housing and Communities, Office of the Deputy Secretary,
U.S. Department of Housing and Urban Development.

ACTION: Notice of Funding Availability (NOFA).

SUMMARY: The Department of Defense and Full-Year Continuing Appropriations Act, 2011 (Public Law 112-10, approved April 15, 2011) (Appropriations Act), provided a total of \$100,000,000 to HUD for a Sustainable Communities Initiative to improve regional planning efforts that integrate housing and transportation decisions, and increase the capacity to improve land use and zoning. Of that total, \$70,000,000 is available for the Sustainable Communities Regional Planning Grant Program, and \$30,000,000 is available for the Community Challenge Planning Grant Program. In addition to the application requirements set forth in this document, applicants must also comply with applicable requirements established in HUD's FY2011 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD's FY2011 NOFAs for Discretionary Programs (General Section) posted on Grants.gov on March 4, 2011.

The Department of Housing and Urban Development's ("HUD") Community Challenge Planning Grant Program ("Program") fosters reform and reduces barriers to achieving affordable, economically vital, and sustainable communities. Such efforts may include amending or replacing local master plans, zoning codes, and building codes, either on a jurisdiction-wide basis or in a specific neighborhood, district, corridor, or sector to promote mixed-use

development, affordable housing, the reuse of older buildings and structures for new purposes, and similar activities with the goal of promoting sustainability at the local or neighborhood level. This Program also supports the development of affordable housing through the development and adoption of inclusionary zoning ordinances and other activities to support plan implementation. Of the \$30 million available for the Community Challenge Planning Grant Program, this notice announces the availability of approximately \$28.6 million for Community Challenge Planning Grants, of which not less than \$3 million shall be awarded to jurisdictions with populations of less than 50,000. An additional \$1 million has been reserved for capacity support grants distributed through a separate NOFA posted on Grants.gov.

HUD thanks the public for the comments and input that were received prior the development of the FY2011 NOFA.

The Community Challenge Planning Grant Program differs from HUD's Sustainable Communities Regional Planning Grant Program, a \$70 million program also created in the Department of Defense and Full-Year Continuing Appropriations Act, 2011. While the latter program is designed to support regional planning efforts, the Community Challenge Planning Grant Program focuses on individual jurisdictions and more localized planning. HUD is publishing a separate NOFA for the Sustainable Communities Regional Planning Grant Program.

SUSTAINABLE COMMUNITIES
PLANNING GRANT AND INCENTIVES PROGRAM

GRANT GUIDELINES & APPLICATION

FUNDED BY

THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD
CONTROL, RIVER AND COASTAL PROTECTION BOND ACT OF 2006

PROPOSITION 84 CHAPTER 9

STATE OF CALIFORNIA

STRATEGIC GROWTH COUNCIL

2011 GUIDELINES FOR APPLICATIONS SUBJECT TO SOLICITATION

Please direct questions to:

Sustainable Communities Planning Grants Program

c/o Department of Conservation

Division of Land Resource Protection

801 K Street, MS Floor 18-01

Sacramento, CA 95814

Phone: (916) 322-3439

Email: SGCSustainablecommunities@conservation.ca.gov



I. Introduction

Grants - The Strategic Growth Council requests submittal of Proposals for the Sustainable Communities Planning Grant and Incentives Program. Cities, counties, Metropolitan Planning Organizations (MPOs), Joint Powers Authorities (JPAs), Regional Transportation Planning Agencies (RTPAs), Councils of Governments (COGs), or combination thereof, are eligible to apply. It is anticipated that proposals funded under this solicitation will be not less than \$100,000 nor greater than \$1,000,000 each. The Council may consider higher grant awards for a joint proposal, an application submitted by one lead applicant with one or more eligible partner entities, coordinated by planning activities with defined shared outcomes. Partial funding may be considered to fully maximize grant awards.

Funding - The Sustainable Communities Planning Grant is funded by Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. It added Division 43 to the Public Resources Code, Chapter 9, Sustainable Communities and Climate Change Reduction Section 75065(a), authorizing the Legislature to appropriate \$90 million for planning grants and planning incentives that reduce energy consumption, conserve water, improve air and water quality, and provide other community benefits (*see Appendix I*).

Statutes - SB 732 Steinberg, (Chapter 13, Statutes of 2008) established the Strategic Growth Council (Council). The Council is composed of agency secretaries from the Business Transportation and Housing Agency, California Health and Human Services Agency, California Environmental Protection Agency, the California Natural Resources Agency, the Director of the Governor's Office of Planning and Research, and a public member, appointed by the Governor (*see Appendix I*). Under Section 75127 and 75128 of SB 732, Council shall do all of the following: (a) identify and review activities and funding programs of member state agencies that may be coordinated to improve air and water quality, improve natural resource protection, meet the goals of the California Global Warming Solution Act of 2006, encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner; (b) recommend policies and investment strategies and priorities to the Governor, the Legislature, and to appropriate state agencies to encourage the development of sustainable communities, such as those communities that promote equity, strengthen the economy, protect the environment and promote public health and safety, and is consistent with subdivision (a) and (c) of Section 75065; (c) provide, fund, and distribute data and information to local governments and regional agencies that will assist in developing and planning sustainable communities; and (d) manage and award grants and loans to support the planning and development of sustainable communities.

II. Purpose and Goal

As mandated by Proposition 84 of 2006, this grant program implements the vision of the Governor and Legislature to foster the development of sustainable communities throughout California. It is designed to help local governments meet the challenges of adopting land use plans and integrating strategies in order to transform communities and create long term prosperity. Sustainable communities shall promote equity, strengthen the economy, protect the environment and promote healthy, safe communities.

The primary goal of this grant program is to develop and implement plans that reduce greenhouse gas emissions and achieve the following Program Objectives:

- Improve air and water quality
- Promote public health
- Promote equity
- Increase housing affordability
- Increase infill and compact development
- Revitalize urban and community centers
- Protect natural resources and agricultural lands
- Reduce automobile usage and fuel consumption
- Improve infrastructure systems
- Promote water conservation
- Promote energy efficiency and conservation
- Strengthen the economy

These objectives are consistent with the State Planning Priorities, as defined by Government Code 65041.1 as Strategic Growth Council objectives.

III. Focusing Funds

Applications will generally be limited to a maximum of \$1 million and a minimum of \$100,000 per proposal. Additional funding may be considered to fully maximize grant awards. The Council may consider higher grant awards for a proposal (see *Glossary*) that is cooperative, scale-appropriate, and reflects the interdependence of environmental, economic, community health, and other requirements.

The Council shall fund proposals that fall within the following three focus areas:

- Focus Area #1: Local Sustainable Planning
- Focus Area #2: Regional SB 375 Plus
- Focus Area #3: Regional Planning Activities with Multiple Partners

The goal is to focus a minimum of 25% of funds in Focus Area #1, a minimum of 25% in Focus Area #2, and a minimum of 10% in Focus Area #3. No less than 20% of all Round 2 program funds will be dedicated to targeted planning efforts that address the direct challenges of economically disadvantaged communities. An applicant may submit two applications to Focus Area #1 provided that at least one of the applications proposes to address the needs of an economically disadvantaged community.